



## Commonwealth of Kentucky Public Protection Cabinet

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### **ANNUAL WORKERS' COMP FILING APPROVED** ***Overall loss costs decrease for 10<sup>th</sup> consecutive year, coal classes increase***

**FRANKFORT, Ky. (Sept. 4, 2015)** – An annual filing most insurance carriers will use to develop rates for workers' compensation coverage shows the tenth consecutive overall decrease in loss costs, Department of Insurance Commissioner Sharon P. Clark announced today.

The 2015 filing, approved by the Kentucky Department of Insurance and effective Oct. 1, was submitted by the National Council on Compensation Insurance Inc. (NCCI), an advisory organization that is the oldest provider of workers' compensation and employee injury data and statistics in the nation.

Commissioner Clark noted that the 10 consecutive decreases have lowered loss costs on average 52.1 percent.

"This continues to be good news for Kentucky employers and workers," Clark said. "We are pleased with the overall condition of the market."

Data collected from insurance carriers is used to develop loss costs, which are the average compensation for lost wages based on the level of disability, plus medical benefit payments. Use of the information is voluntary but most workers' comp carriers use the NCCI loss cost values as the base to which the insurer's own loss adjustment and overhead expenses are added to arrive at the rates charged to Kentucky employers.

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The loss cost figures show an average reduction of 3.4 percent for the 585 industrial classes used in Kentucky. The industrial classes include manufacturing, office and clerical, contracting, and goods and services. For coal classes, surface mining increased 6.9 percent and underground mining costs increased 10.9 percent.

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